GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:3434
ANSWERED ON:11.12.2001
PENALTY TO STATES FOR NOT HOLDING PANCHAYAT ELECTIONS
SRINIVASULU KALAVA

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Union Government have recently penalised some States by not releasing grants for not holding the elections to Panchayats and Zilla Parishads in their respective States;

(b) if so, the details thereof; and

(c) the steps taken by the Government to reduce the grants to these States?

Answer

MINISTER OF RURAL DEVELOPMENT (SHRI M.VENKAIAH NAIDU)

(a) to (c) According to 73rd Amendment Act of the Constitution, the State Governments /UT Administrations are required to hold elections of the Panchayati Raj Institutions at regular intervals and empower such institutions adequately. Though 80% of the funds allocated under the Employment Assurance Scheme are released as per the normal procedure, 20% of the funds are released as an incentive only if the State/UT has put in place elected and empowered Panchayati Raj Institutions.During the current year, 20% of the funds under the EAS have been withheld so far in respect of Andhra Pradesh, Assam, Bihar, Gujarat, Haryana, Jharkhand, Karnataka, Maharashtra, Orissa, Punjab, Uttaranchal and Pondicherry. They have been advised to take appropriate steps to have elected and empowered Panchyati Raj Institutions in place at the earliest, so that the withheld amount can be released to them.